UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 111th Congress ¹

[Date approved: May 24, 2010]²

Bill No. and sponsor: S. 2462 (Mr. John Cornyn of Texas).

Proponent name,³ location: Soft Air USA, Inc., Grapevine, TX.

Other bills on product (111th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Rifles which eject missiles measuring approximately 6 mm in diameter by release of compressed air created by electrical air pumps, such rifles capable of firing such missiles over a range not exceeding 61 m and at a velocity not exceeding 122 m per second, the foregoing in packaging labeled at the time of entry as meeting ASTM standard F2654 (provided for in subheading 9304.00.20).

Check one:	Same as that in bill as introduced.
	\overline{X} Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

According to the proponent, the subject products are firearm replicas made for either recreational use (such as war games or other types of tactical gaming) or training purposes and are designed to fire small plastic pellets or similar projectiles.⁴ The guns are often referred to as low-energy air guns, airsoft rifles, or "automatic electric guns" (AEGs). Most AEGs are full-sized or one-to-one scale gun replicas with separate high capacity magazines and typically with a submachine gun or assault rifle configuration. Most are finely detailed, and some are equipped with functional accessories and components such as gun sights. The speed at which the AEG motor and gears perform the entire action is a fraction of a second, allowing for near instantaneous firing response. Automatic, three-round, and semi-automatic operation is possible with these guns.

The rifles use pneumatic pressure created by electrical air pumps, which typically use rechargeable batteries to drive electric motors. Each gun's motor contains an internal piston-and-spring assembly with attached transmission gearing and circuit board. The motor and gears of the gun perform the cocking action and release of the piston at the moment of trigger pull, so that the user need not manually cock the piston head for every shot (as is necessary with a spring gun). The battery-powered pump, with each revolution, takes air into a chamber and builds pressure. When the gun is fired, the pump releases the air into the receiver to cause the pellet to be discharged. The preset mechanism establishes a maximum

¹ Industry analyst preparing report: Ralph Watkins (202-205-3492); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.

³ The sponsor/proponant did not identify any additional beneficiaries of this bill. USITC staff sent inquiries to one potential additional beneficiary and received a written representation from that company indicating that it would not benefit from this bill.

⁴ This product information was based in part on materials provided by Nicole Bivens Collinson, Sandler, Travis & Rosenberg, P.A., counsel for Soft Air USA, Inc., by electronic mail on February 3, 2010.

pressure per revolution which is determined by the power of the motor. The release of air expelling the pellet is such that the pellet will not exceed 400 feet per second, with a maximum range of 200 feet.

The guns are made of acrylonitrile butadiene styrene (ABS) plastic, usually black in color, or of a combination of plastic and metal. The stock of each gun is ABS plastic, the motor is metal with either plastic or metal gears, the receiver is made of plastic or metal, and the barrel interior is made of brass tubing covered with ABS plastic. The gun's muzzle, to indicate that it is a non-lethal toy, is made from bright red ABS plastic in conformity with Federal regulations. The pellets are made of general purpose polystyrene and measure 6 millimeters in diameter. The pellets are designed to be harmless on impact and are expelled with much less velocity than is the case with paintball guns and other air guns.

Federal regulations require that a reference to the article's compliance with ASTM standard F2654 and related product warnings and safety instructions appear both on the packaging and in the interior of the packaging. The warnings and literature are inserted at the foreign factories where the guns are manufactured. AEGs are imported from China, Korea, the Philippines,⁵ and Taiwan.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 9304.00.20:

\searrow	2010	2011	2012	2013	2014
Col. 1-General rate of duty	3.9%	3.9%	3.9%	3.9%	3.9%
Estimated value dutiable imports ^a	\$8,000,000	\$5,000,000	\$6,000,000	\$7,000,000	\$8,000,000
Customs revenue loss b	\$312,000	\$195,000	\$234,000	\$273,000	\$312,000

a/ Dutiable import estimates were based on industry information.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization		Claim US makes same or competing product(s)?		Opposition noted?
			(Yes/No)	
Soft Air USA, Inc. (Proponent) John Steele, 817-717-4300, ext. 114	02/03/2010	No	No	No
Crosman Corporation Ken D'Arcy, 585-657-4001	02/19/2010	No	Yes	Yes

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

The Philippines is a designated beneficiary developing country for purposes of the Generalized System of Preferences (GSP) and the pertinent subheading is designated for GSP duty-free entry. If products of the Philippines do not comply with the GSP requirements set forth in HTS general note 4 or the importer does not claim GSP treatment, the goods are dutiable at the general rate

Technical comments:⁶

It is suggested that the article description of the proposed heading be amended to read as shown on page 1, to track language from HTS subheading 9304.00.20. However, if the proponent wishes to cover any air guns other than rifles, appropriate changes to the description and the addition of a reference to HTS subheading 9304.00.40 would be necessary.

⁶ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

February 19, 2010

Ralph J. Watkins
Senior International Trade Analyst
Advanced Technology and Machinery Division
Office of Industries
U.S. International Trade Commission
500 E Street, SW
Washington, DC 20438

Re: Proposed duty suspension S. 2462

Dear Mr. Watkins,

It has come to my attention Senator John Cornyn of Texas has introduced legislation (S. 2462) to temporarily suspend duties on U.S. imports of low energy air guns (ASTM F 2654) operated by a pneumatic pressure created by an electric air pump (provided for in [Harmonized Tarii System] subheading 9304.00.20." The most favored nation (MFN) tariff rate is 3.9 percent.

Crosman Corporation is the largest importer of low energy air guns and is opposed to a temporary suspension of import duties applicable to low-energy air guns of the type proposed in S. 2462 because the duty suspension would discourage the establishment of manufacturing of such air guns in the United States

Ken D'Arcy Chief Executive Officer Crosman Corporation



111TH CONGRESS 1ST SESSION

S. 2462

To suspend temporarily the duty on electric pneumatic airsoft rifles.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. Cornyn introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on electric pneumatic airsoft rifles.

1	Be it enacted by the Senate and House of Representa-							
2	tives of the United States of America in Congress assembled,							
3	SECTION 1. ELECTRIC PNEUMATIC AIRSOFT RIFLES.							
4		(a) I	n General.—S	Subch	apter II	of cha	pter 99	of
5	the Harmonized Tariff Schedule of the United States is							
6	amended by inserting in numerical sequence the following							
7	new heading:							
	"	9902.01.00	Low energy air guns (ASTM F 2654) operated by pneumatic pressure created by an electrical air pump (provided for in subheading 9304.00.20)	Free	No change	No change	On or before 12/31/2011	,,

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to goods entered, or withdrawn from
- 3 warehouse for consumption, on or after the 15th day after

4 the date of the enactment of this Act.

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